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July 25, 2018

VIA HAND DELIVERY

The Honorable Jocelyn G. Boyd
Chief Clerk/Administrator
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210

RE: South Carolina Electric & Gas Company
Request for Approval of Contract for Electric Service with Shaw Industries Group,
Inc.
Docket No. 2018-248E

Dear Ms. Boyd:

Pursuant to 10 S.C. Code Ann. Regs. 103-303 (2012), South Carolina Electric & Gas Company ("SCE&G" or "Company") hereby files with the Public Service Commission of South Carolina ("Commission") and seeks approval of the Contract for Electric Service ("Contract") between SCE&G and Shaw Industries Group, Inc. ("Shaw Industries"), with such approval to be made effective as of June 8, 2018, the effective date of the Contract.

Shaw Industries, headquartered in Dalton, Georgia, is a wholly owned subsidiary of Berkshire Hathaway, Inc. and supplies carpet, resilient, hardwood, laminate, tile and stone, synthetic turf and other specialty products to residential and commercial markets worldwide. The Contract is related to Shaw Industries' recent completion of a cogeneration Combined Heat & Power (CHP) plant at its fiber production facility in Columbia. The CHP application, which began operating in May 2018, will use natural gas to fuel a turbine to generate electricity, leveraging the exhaust heat from the turbine to produce steam. This production meets the entire steam demand for Shaw's carpet fiber plant in Columbia and replaces the majority of electricity supplied by SCE&G. Shaw estimates that the CHP plant will reduce the plant's annual greenhouse gas emissions by 26,000 metric tons. The Contract continues for five years from the effective date, unless an early termination is mutually agreed upon by the parties. The Contract is automatically extended thereafter until terminated by either party.

Due to the commercial sensitivity and proprietary nature of certain provisions of this Contract as well as the highly competitive nature of the industry in which Shaw Industries operates, Shaw Industries requested and the Company agreed to keep the terms of the Contract confidential. In accordance with the terms of the Contract, the Company and Shaw Industries respectfully request that the Commission find that the Contract contains protected information and issue a protective order barring the disclosure of this Contract under the Freedom of Information Act, S.C.

(Continued . . .)

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Code Ann. §§ 30-4-10 *et seq.*, 10 S.C. Code Ann. Regs. 103-804(S)(1), or any other provision of law. Pursuant to 10 S.C. Code Ann. Regs. 103-804(S)(2), the determination of whether a document may be exempt from disclosure is within the Commission's discretion.

To this end, and in accordance with Commission Order No. 2005-226, dated May 6, 2005, in Docket No. 2005-83-A, we enclose with this letter a redacted version of the Contract that protects from disclosure the sensitive, proprietary and commercially valuable information, while making available for public viewing non-protected information. We also enclose a copy of the unredacted Contract in a separate, sealed envelope and respectfully request that, in the event that anyone should seek disclosure of this unredacted Contract, the Commission notify SCE&G of such request and provide it with an opportunity to obtain an order from this Commission or a court of competent jurisdiction protecting the Contract from disclosure.

Enclosed are the following:

- (1) A true and correct copy of the original Contract in a sealed envelope marked "CONFIDENTIAL." Each page of the Contract is also marked "CONFIDENTIAL."
- (2) Ten (10) copies of a redacted copy of the Contract for filing and public disclosure.

By copy of this letter, we are providing the South Carolina Office of Regulatory Staff ("ORS") with a redacted copy of the Contract for its records. Additionally, SCE&G will make the original, unredacted copy of the Contract available to ORS for its review.

Thank you for your assistance and consideration of this matter. If you have any questions, please do not hesitate to contact us at your convenience.

Very truly yours,



Matthew W. Gissendanner

MWG/kms

Enclosure

cc: Dawn Hipp
Jeffrey M. Nelson, Esquire
(all via hand delivery)